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Prime Minister's schedule, February 23

NIKKEI (Page 2) (Full)
February 24, 2008

10:00

Met advisor Ito at his official residence.
Afternoon Spend time at his official residence.

Prime Minister's schedule, February 24

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NIKKEI (Page 2) (Full)
February 25, 2008

Morning

Spent time at his official residence.

12:20

Attended the wedding reception of Foreign Minister Koumura's eldest son held at the Conrad Tokyo.

13:44

Returned to this official residence.

14:30

Went to the Kantei.

15:19

Departed from Haneda Airport for South Korea to attend presidential inauguration of Lee Myung Bak.
(Local time)

Evening A

Arrived in Seoul Air Base. Toured the Chong Gye River project in Seoul.

Night

Had an informal discussion with the accompanying press corps at the Lotte Hotel in Seoul. Dined with South Korean political and business leaders. Stayed overnight at the hotel.

4) Prime Minister Fukuda: No reason for Defense Minister to resign

ASAHI (Page 2) (Excerpts)
February 25, 2008

Seoul, Nanya Etori

Asked by reporters accompanying him to Seoul about his view of the opposition's call for the resignation of Defense Minister Shigeru Ishiba to take responsibility for the collision between a Maritime Self-Defense Force Aegis destroyer and small fishing boat, Prime Minister responded yesterday with a clear statement: "It is necessary for the person who knows well the Defense Ministry's issues to take the lead in reforming the ministry and thus bearing full responsibility." In view of the importance of stability of internal politics also for foreign policy, Fukuda said he was still enthusiastic about the notion of forming a grand alliance between his Liberal Democratic Party (LDP) and the largest opposition Democratic Party of Japan (DPJ or Minshuto). He said: "It depends on the other party."

Regarding the collision between the MSDF Aegis destroyer and fishing boat, Fukuda pointed out:

"If the collision was caused due to the nature of the Defense Ministry, the ministry should be drastically reformed. If (Ishiba) is replaced without thinking, (reform) will not be carried out. A new minister would have to study the issues from scratch. I do not think we should take such meaningless action."

Fukuda underscored the meaning of a grand alliance, saying: "I wonder whether foreign countries will trust Japan if our country

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cannot decide anything with them due the politically divided Diet. This issue affects our national interests."

5) Reform team launched at order of prime minister: Aim is to encourage Ishiba, by countering calls for his resignation

MAINICHI (Page 2) (Excerpts)
February 23, 2008

Following a flurry of scandals involving the Defense Ministry, a Defense Ministry Reform Promotion Team was launched on Feb. 23, based on Defense Minister Shigeru's cherished desire for a major reorganization of his ministry. It was Prime Minister Yasuo Fukuda himself who ordered Ishiba to put his initiative into practice, apparently motivated by the desire to check the opposition bloc's calls for Ishiba's resignation.

The team was originally scheduled to be launched on Feb. 19. However, the plan has been put off due to the Maritime Self-Defense Force's Aegis-equipped destroyer Atago's collision with the Seitoku Maru, which took place the same day. The prime minister ordered the launch of the team three days after the accident, apparently with the aim of encouraging Ishiba. The Defense Ministry also gave consideration to the administration, with one senior official noting, "We did not want to have a fatal impact on the administration."

Core members of the reform team are staff members under Ishiba's direct jurisdiction. Fifteen mid-level officials, such as deputy bureau directors general and division directors (six from internal bureaus and nine SDF personnel), have been transferred to the Minister's Secretariat. Compared with the existing study teams responsible for such areas as civilian control, equipment procurement, and intelligence and security, the newly established team has Ishiba's strong imprint as the leader.

6) Ishiba reveals plan to require manual operation in waters with heavy traffic

TOKYO SHIMBUN (Page 2) (Full)
February 25, 2008

Appearing on a Fuji-TV program yesterday, in the wake of the collision between the Maritime Self-Defense Force Aegis-equipped destroyer Atago and a fishing boat, Defense Minister Shigeru Ishiba said: "We will enforce a rule at once that (autopilot) must be switched to manual operation once a vessel enters such waters." Ishiba thus announced a plan to review the way SDF vessels cruise in waters with heavy traffic.

The cause of the collision seems to be ascribable to the fact that the Atago did not switch from autopilot to manual operation until one minute before the collision, causing it to delay in taking action to avoid the fishing boat.

Appearing on an NHK program, Ishiba also indicated that the ministry will revise within this week an outline of the vice-administrative minister notification system specifying the post-accident communication setup and implement the revised system immediately.

7) U.S. military still not expected to tighten standards for living off-base

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MAINICHI (Page 2) (Full)
February 23, 2008

In the wake of an Okinawa-based U.S. serviceman's alleged rape of a junior high school girl, the government has worked out a plan to prevent similar incidents. The plan includes submitting an annual report to base-hosting municipalities on the number of U.S. military personnel and others living outside their bases. In Okinawa, however, base neighbors are feeling uneasy about U.S. servicemen living off base. Although Okinawa's base-hosting local communities want the Japanese and U.S. governments to take effective steps, the U.S. military is still not expected to tighten its off-base living standards.

Currently, U.S. military personnel in Japan, civilian employees working at U.S. military bases in Japan, and their dependents are exempted from foreign registration under the Japan-U.S. Status of Forces Agreement (SOFA). Instead, U.S. Forces Japan reports the number of SOFA personnel entries into and departures from Japan once every three months. Based on a bilateral agreement reached this time, USFJ will reveal the number of U.S. military servicemen and other off-base SOFA personnel in 129 municipalities across the nation, including 22 in Okinawa Prefecture. However, the Japanese government and USFJ have only agreed to "discuss" the standards for living off-base. The Foreign Ministry explains that the Japanese and U.S. governments have not yet agreed to tighten the standards. The issue will be left to bilateral joint committee consultations.

Okinawa Gov. Hirokazu Nakaima appreciated the Japanese government for its plan to take preventive steps. "The government took quick action," he said yesterday. He also said, "There is no choice but to tighten the off-base living standards." The incident this time took place in the town of Chatan, which is an electoral district for Kantoku Teruya, a member of the House of Representatives. Teruya suggests the need to bar off-base living in principle.

In Okinawa, however, there are also industries that depend on bases. Local realty businesses dealing in rental housing for U.S. military personnel are expected to oppose the idea of tightening standards for living off-base. "After the start of the Iraq war," one Chatan-based real estate broker noted, "there are now fewer U.S. servicemen living outside their bases." This broker added, "If the standards are tightened, all of us will be affected."

8) Okinawa also works out 20-point plan

MAINICHI (Page 2) (Full)
February 23, 2008

In the wake of an Okinawa-based U.S. serviceman's alleged rape of a local junior high school girl, a panel of the Okinawa prefectural government yesterday worked out a 20-point plan to prevent similar incidents.

The plan includes requesting the U.S. military to restrict its off-base hours for more of its personnel, step up responsibilities and penalties for the supervisors of discipline violators, and tighten discipline for those living off base. In addition, the plan proposes setting up automobile license plate number readers near U.S. military bases. It also suggests the need for the Japanese and U.S. governments to compensate victims on their respective

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responsibilities.

9) Difference in degree apparent between government, Okinawa toward preventive measures following rape incident

YOMIURI (Page 2) (Full)
February 23, 2008

Following the recent case of a Marine having raped a junior-high school girl in Okinawa and other crimes by Marines, the government yesterday announced a package of its measures to prevent similar incidents. The package indicates a willingness to strengthen

restrictions regarding U.S. military personnel's off-base residences and moves, but it ended up just listing subjects for future consideration. There is still a gap between the government's measures and the requests being made by Okinawa. The government plans to continuously work out specific preventive measures in meetings of the Japan-U.S. Joint Committee and on other occasions.

Speaking before reporters yesterday, Prime Minister Fukuda expressed his determination to do his best to obtain understanding from Okinawa. Fukuda said: "It will be difficult to prevent (incidents by Marines) without local communities' cooperation. It is imperative for the three parties concerned (the governments of Japan and the U.S., as well as the Okinawa government) to jointly make efforts to prevent incidents." The government's package notes: "The U.S. side should reconsider its various preventive measures," and indicates that outgoing restrictions should be tightened. The package also includes a plan under which the Japanese and U.S. governments will study a review of the current standards for U.S. soldiers and their families to live outside bases.

But the set of preventive measures mapped out and released by Okinawa prefecture the same day calls for such specific measures as expansion of curfew hours and of those areas subject to restrictions, and publication of clear standards for off-base residence.

10) LDP mulling amending law to ban possession of child pornography

MAINICHI (Page 1) (Full)
February 24, 2008

Eriko Horii

In an effort to prevent the proliferation of child pornographic images via the Internet, the ruling Liberal Democratic Party (LDP) on Feb. 23 decided to amend the Law for Punishing Acts Related to Child Prostitution and Child Pornography. The LDP intends to add to the law a new provision prohibiting "simple possession," a term that is defined as individuals collecting pornographic images and pictures not for sale but for their own use. The LDP also plans to discuss punishment provisions. The LDP intends to submit an amendment to the law, which will be drafted by a suprapartisan group Diet members, to the current session of the Diet, but some in the ruling and opposition parties are cautious about establishing punishment provisions, with one member arguing, "Ambiguity still remains about the definition of immorality or obscenity. (Such punishment provisions) could lead to expanding the right to investigate."

The LDP will set up by the end of the month a subcommittee to be

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headed by former Justice Minister Mayumi Moriyama. An idea being floated in the LDP to deal with simple possession without any intention of selling or providing child pornography is to establish a provision banning "possession of electronic records." Discussion on punishment provisions at the subcommittee will focus on how to levy fines. Given cases where images are sent unsolicited as seen in spam emails, punishments will be limited to cases where individuals' intention of collecting (child pornography) is clear. Whether to regulate child pornography in animation and manga is expected to be put on hold because of strong opposition that regulating it would violate the freedom of expression.

Last year, the United States government called for a ban on simple possession of child pornography on the ground that the international community needs to join hands to deal with this matter. Justice Minister Kunio Hatoyama stated at a session on Feb. 4 of the Upper House Budget Committee that there is need to establish a punishment provision on simple possession.

The current law took effect in 1999. Regarding pictures, images, and videos of pornography involving children (below 18), acts subject to punishments include production and sale, possession for the purpose of sale or offer, and disclosure on websites. If individuals possess them without any intention of selling or providing them to someone,

such possession is not subject to punishment.

When the law was amended in 2004, the ruling parties drafted a revision bill that included a provision prohibiting simple possession, but heeding cautious views voiced in the opposition bloc against the provision, the ruling bloc dropped it and got the revision bill approved.

The LDP aims to submit to the current Diet session a revision bill that will be drafted by Diet members from both ruling and opposition parties. But there seem to be cases where individuals are not aware of the fact that images were sent unsolicited. Assuming such cases, a senior member of the major opposition Democratic Party of Japan argued: "There is the possibility that the right to investigate will be broadened unnecessarily."

11) South Korean President Lee to visit Japan on April 21

SANKEI (Page 2) (Full)
February 25, 2008

Katsuhiko Kuroda, Seoul

An inauguration will be held for new South Korean President Lee Myung Bak on Feb. 25. Joining as guests will be Japanese Prime Minister Yasuo Fukuda, U.S. Secretary of State Condoleezza Rice, and dignitaries from many other countries. According to an informed South Korean source, Japan and South Korea have agreed that President Lee will visit to Japan on April 21-22. He will stop over in Japan on his way back from the U.S. (April 14-20). He will visit Japan as a state guest on another occasion.

The inauguration will be held on the morning of Feb. 25 in front of the Diet Building in Seoul, with 45,000 prominent figures from various circles and general public in attendance. From abroad, about 200 representatives will attend, including Chinese State Councilor Tang Jiaxuan and Russian Prime Minister Viktor Zubkov, besides representatives from Japan and the U.S. President Lee will hold

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meetings with Fukuda, Rice and other participants from abroad on the first day of his assumption of office.

Japan will send more than 100 dignitaries to attend the ceremony, indicating Japan's expectations on the Lee administration for improvement in bilateral ties. Included among Japanese government envoys will be former Prime Minister Yasuhiro Nakasone, former Prime Minister Yoshiro Mori (chairman of the Japan-Korea Parliamentarians' Union), former Liberal Democratic Party Secretary General Taro Aso, and Democratic Party of Japan Deputy President Naoto Kan. DPJ President Ichiro Ozawa already met Lee on Feb. 21.

Japan and South Korea have agreed on the need to revive the suspended reciprocal visits between both sides' leaders. After Lee visits Japan in April, the Japanese government plans to invite the president to the Lake Toya Summit to be held in Japan in July.

President Lee has expressed his desire to establish a mature relationship with Japan without calling for Japan's apologies or self-reflection and without being bounded by any formalities. As a president who places emphasis on economics, the new president has emphasized a practical diplomacy focusing on actual benefits to the country. Lee is expected to take such a stance in his meeting with Fukuda.

12) DPJ launches study group conciliatory to North Korea, also eyeing cooperation with LDP

SANKEI (Page 5) (Excerpts)
February 23, 2008

Interested lawmakers from the Democratic Party of Japan (DPJ) and the People's New Party (PNP) yesterday launched a study group to address issues related to the Korean Peninsula. The group aims at normalizing diplomatic relations with North Korea, as well as resolving the issues of the North's past abductions of Japanese

nationals and ongoing nuclear and missile development programs by promoting mutual exchanges with North Korea. The group plans to look into visiting Pyongyang. It also intends to join hands with Liberal Democratic Party (LDP) member Taku Yamasaki, supreme advisor to the party's subcommittee on Korean Peninsula issues, which is seeking a North Korea visit, and other members. Members of a suprapartisan group of Diet members dealing with the abduction issue have been alert at the moves by LDP and DPJ members calling for conciliation with North Korea. Participating in its kick-off meeting were 15 DPJ members and one PNP member. The study group appointed DPJ International Bureau chief Tetsundo Iwakuni as chairman, DPJ House of Councillors member Yoshihiro Kawakami as chief of the secretariat, DPJ Vice President Hajime Ishii and Yoshio Hachiro,

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foreign minister in the shadow cabinet, as advisors, and PNP Vice President Shozaburo Jimi as vice president.

Iwakuni emphasized in the meeting the importance of dialogue with the North in order to resolve the abduction and nuclear issues. He then implied he had in mind a plan to form a suprapartisan parliamentary group, like the dormant Japan-North Korea Friendship Promotion League.

Iwakuni also expressed his hopes for realizing a visit by a delegation led by DPJ President Ichiro Ozawa to North Korea in the future. Kawakami reported that he met with Yamasaki to discuss the possibility of cooperation on Feb. 21. He then told reporters: "I do

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not deny the need for pressure, but we would like to effectively resolve the abduction issue in another way." Iwakuni plans to meet Yamasaki next week to discuss a coalition, including a visit to North Korea by a suprapartisan delegation with the LDP.

13) China sounds out Japan, U.S. on possibility of regular trilateral dialogue, positing such being at the summit level

NIKKEI (Page 2) (Excerpts)
February 23, 2008

Ken Sato in Beijing

It was learned yesterday that the Chinese government has sounded out the Japanese and U.S. governments about establishing a regular dialogue of the three countries, including the United States. The dialogue would be a venue for discussion of such topics as environmental issues, energy policies, and policy toward North Korea. In addition to participants at the vice foreign minister and bureau director-general levels, top leaders and foreign ministers would conceivably join, too. The aim is to build momentum for policy coordination among the three countries, and apparently, there is motivation by China to drive a wedge into the now strong Japan-U.S. alliance.

At present, there are various bilateral arrangements for dialogues at the vice-ministerial level between Japan and the U.S., Japan and China, and the U.S. and China. If such are widened to become trilateral dialogues, it could lead to strengthening cooperation centered on the three countries on the diplomatic stage. The combined GDP of the three countries as of 2006 made up approximately 40 PERCENT of world GDP, so the policy cooperation also could be seen as stabilizing the global economy, as well.

14) Poll: 68 PERCENT don't trust politics

YOMIURI (Page 1) (Abridged)
February 24, 2008

Two out of every three persons are distrustful of present-day political parties or politicians and dissatisfied with politics that does not reflect their votes cast in elections, the Yomiuri Shimbun found from its annual public opinion survey of the nation's voting population on their political mindsets. In the survey, the proportion of those who want the ruling and opposition parties to change places at times was a little over 60 PERCENT among all

respondents and reached 40 PERCENT even among those who support the ruling coalition of the Liberal Democratic Party and New Komeito. The survey shows that an increasing number of people would like to see a big change in politics.

The survey was conducted Feb. 16-17 on a face-to-face basis.

In the survey, respondents were asked if they trusted present-day political parties or politicians in Japan. In response, "very much" and "somewhat" totaled no more than 30 PERCENT, with "not very much" and "not at all" totaling 68 PERCENT. Respondents were also asked if they thought their votes cast in elections are actually reflected in politics. To this question, "yes" accounted for 29 PERCENT, with "no" at 67 PERCENT.

Respondents were further asked if they thought it would be better to

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see the ruling and opposition parties change places at times. In response to this question, 63 PERCENT answered "yes," with 27 PERCENT saying "no." Among LDP supporters, "no" accounted for 53 PERCENT, but "yes" accounted for 40 PERCENT. Among those who support the leading opposition Democratic Party of Japan (Minshuto), 91 PERCENT answered "yes."

15) Stormy developments expected in Diet over budget bill, Aegis accident, and appointment of new BOJ governor

NIKKEI (Page 2) (Abridged slightly)
February 25, 2008

Starting today, Diet debates will head toward a climax with the House of Representatives soon approving the fiscal 2008 budget bill and a bill amending the Special Taxation Measures Law, including the maintenance of the provisional road-related tax rates. Although the ruling bloc is aiming to obtain Lower House approval this month, the stormy developments have hit the Diet owing to such factors as an MSDF Aegis destroyer's collision with a fishing boat and the ongoing row with the opposition camp over the appointment of a new Bank of Japan governor, which requires Diet approval.

Liberal Democratic Party Diet Affairs Committee Chairman Tadamori Oshima yesterday gave a speech in the city of Hachinohe in Aomori Prefecture in which he highlighted the need to get the budget bill and the bill amending the Special Taxation Measures Law approved by the Lower House before the end of February. He said: "We will make utmost efforts, aiming at Feb. 28. We will also have to send the tax bill to the House of Councillors at the same time."

The ruling camp is planning to hold a subcommittee meeting on Feb. 27-28 ahead of taking a vote on the budget bill with the aim of obtaining Lower House approval along with the tax bill on Feb. 29 at the same time. After being sent to the Upper House, a budget bill will be automatically enacted in 30 days. Given the situation, in order for the fiscal 2008 budget to clear the Diet within the current fiscal year, it will have to obtain Lower House approval by March 2. But because March 1 and 2 fall on a Saturday and Sunday, respectively, the ruling camp desperately wants to get the bill passed by the Lower House before the end of February.

Meanwhile, the largest opposition Democratic Party of Japan (DPJ) plans to put up do-or-die resistance, arguing that it is premature to bring the bill to a vote. In the event, the ruling bloc railroads the budget bill through the Lower House this month, the opposition camp may consider reneging on the mediation agreement worked out by the heads of the two Diet chambers specifying "to reach a certain conclusion within the current fiscal year" regarding the budget and budget-related bills. Upper House deliberations are expected to face rough going.

With the Aegis destroyer collision accident, opposition parties are set to press the ruling camp to reveal all details, and they plan to pursue Defense Minister Shigeru Ishiba's responsibility during intensive Lower House Security Committee deliberations on Feb. 26. The Diet affairs chiefs of the opposition parties are scheduled to meet this evening to confirm a policy course of seeking intensive

deliberations in the Lower House Budget Committee.

Although the ruling camp plans to reject the opposition bloc's call for Lower House Budget Committee intensive deliberations, some are

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concerned about a possible public backlash. The ruling bloc is nervous because any misstep could throw the Fukuda administration into a tighter spot.

Lower House Rules and Administration Committee Chairman Takashi Sasagawa and his Upper House counterpart Takeo Nishikawa are expected to formally agree today on procedures for hearing views of candidates replacing the BOJ governor and deputy governor, whose terms are set to expire on March 19. As such, the government plans to present a personnel action plan to the opposition bloc on Feb. 26 or later.

Although the ruling camp has sounded out the DPJ on promoting Deputy Governor Toshiro Muto to the governor's post, there are some objections in the DPJ. Some fear that if a BOJ appointment plan is presented toward the end of the month when the battle between the ruling and opposition camps on the budget bill intensifies, the two sides will not be able to discuss matters calmly. At the same time, an LDP Diet Affairs Committee member said: "If a personnel plan is presented in early March, the post of BOJ governor might remain unfilled temporarily." The government and ruling bloc will likely find it difficult to handle the matter.

16) Prime minister positive toward revising provisional gas tax rate bill

ASAHI (Page 1) (Almost full)
February 25, 2008

Regarding a bill amending the Special Tax Measures Law, including an extension of the provisional rate on the gas tax for special-purpose road construction revenues, Prime Minister Fukuda, now visiting South Korea to attend incoming President Lee Myung Bak's inauguration, yesterday evening told reporters traveling with him: "There may be a ruling by the Speaker. Revisions will be made, and the budget and related bills will be passed by the end of the fiscal year. I would deliberate on the bill while keeping all this in mind." He thus indicated a stance of responding to a call for a revision to the amendment bill in a flexible manner.

The prime minister said, "I would most appreciate if the bill is passed into law without any revisions. However, given the deliberations in the Diet, there are various views on the issue. It is inconceivable that there will be no proposals."

Former Prime Minister Koizumi in a speech given on Feb. 22 noted, "If the prime minister says that the ruling parties should listen to the views of opposition parties and ready a good bill, by giving in where necessary, a proposal for a revision will be made by members of the Liberal Democratic Party (LDP)."

Regarding Koizumi's statement, the prime minister said, "I will take it seriously." He also said to the Democratic Party of Japan (DPJ or Minshuto), "I want them to finalize their views. Otherwise, I do not know what revisions can be made to the bill. It would be troublesome if the opposition parties cannot finalize their proposals, while the ruling parties readied a bill." He thus urged the DPJ to come up with a counterproposal.

17) LDP members decrease by 7.5 PERCENT , down for tenth consecutive year

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MAINICHI (Page 5) (Full)
February 23, 2008

The ruling Liberal Democratic Party (LDP) revealed on Feb. 22 that

its membership decreased by 7.5 PERCENT , or to 1,102,460, from the number the party had in 2007. The number of party members has dropped for ten years in a row. The main reason for the drop is a decrease in the occupational chapters. A senior LDP member said resignedly:

"It can't be helped, because the trend started when recruiting party members ceased to affect one's placement on the party's slate of candidates for the Upper House proportional representation segment."

Of the top five Diet members who recruited a large number of new party members, four were "assassins" who secured their seats in the 2005 House of Representatives election, and former postal rebels, who were reinstated in the LDP. The four apparently recruited a large number of new members with the next Lower House election in mind.

The five were Lower House members Kotaro Nagasaki, Seiko Noda, Mitsuo Horiuchi, Hiroshi Moriyama, and Yasuhiro Ozato. Nagasaki was an assassin. Noda, Horiuchi, and Moriyama were former postal rebels who rejoined the party. Nagasaki and Horiuchi are rivals in the Yamanashi No. 2 constituency.

The LDP had 5.46 million members at its peak in 1991.

18) Former Prime Minister Koizumi in meeting denies early Lower House dissolution

MAINICHI (Page 5) (Full)
February 23, 2008

Former Prime Minister Junichiro Koizumi of the ruling Liberal Democratic Party (LDP) gave a speech in a seminar held last night in Hachioji, Tokyo, by the LDP's House of Representatives member Koichi Hagiuda. In it, Koizumi indicated his negative view about an early dissolution of the Lower House. He said:

"The dominant view is that the Lower House will not be dissolved until the end of the July Group of Eight (G8) summit at Lake Toya in Hokkaido. Recently, however, the mood is that it is not too late to dissolve the Lower House even after (Fukuda) takes part in next year's G8."

Referring to deliberations on revising the government's bill to retain the current provisional road-related provisional taxes, Koizumi pointed out:

"The opposition camp should present counterproposals and reach a conclusion through discussion. If Prime Minister Yasuo Fukuda asks the LDP to compile a good idea with a view to integrating the special account for road-related taxes into the general account, the LDP will follow the prime minister and compromise."

According to Koizumi's office, it was the first time for him to deliver a speech in a meeting held by a Diet member after he left the prime minister's post. He plans to give a speech in a meeting next month of other Lower House member. There is speculation in

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political circles that Koizumi has restarted his political activities.

19) H-2A rocket: Mitsubishi Heavy Industries in negotiations with U.S., South Korean companies for first order for commercial satellite

NIKKEI (Page 1) (Excerpts)
February 25, 2008

Mitsubishi Heavy Industries has released a plan to start the launch of a domestically built H-2A rocket that can carry a commercial satellite in fiscal 2008. The company has already entered final talks with communications companies of the U.S. and South Korea. It will likely receive an order for a rocket-launching project as early as March. The National Space Agency succeeded in launching the No.

14 H-2A rocket on Feb. 23. The satellites that were launched in the past were all for use by the government, such as observation satellites. Mitsubishi, which took over the project in the spring last year, will enter the private-use satellite market, an area that has been monopolized by foreign rocket manufacturers, on the strength of reduced costs.

Mitsubishi Heavy Industries President Kazuo Tsukuda told a Nikkei reporter that the success of the launch of the No. 14 H-2A rocket has boosted the competitiveness of the rocket on the global market with strengthened technical reliability. He also revealed that the company is expected to receive an order to launch a commercial satellite by Feb. 2009. Though he steered clear of revealing the name of the negotiating partner, the plan appears to be launching a communications satellite using the H-2A rocket for various data communications.

SCHIEFFER